

Phoenix Program Process Definition – Accounts Receivable

Process	Record Grant Encumbrance & Earned Revenue
Process Number	AR - 017

Description of Process

The steps for processing a Grant Encumbrance:

- Recognize unearned revenue. A user can either do a JV in G/L by debiting Anticipated Revenue and crediting Unearned Revenue (not required by Audits) or create an Excel spreadsheet.
- Revenue is earned (expensed), set up a Receivable in Accounts Receivable by debiting Receivable and crediting Revenue. If you created a JV in G/L for the unearned revenue, reduce the balance of the anticipated revenue by doing a JV in G/L (DR Unearned Revenue and CR Anticipated Revenue).
- Money is received for the Grant Encumbrance, apply a payment to the receivable in A/R.

Input to Process

In Accounts Receivable, a Receivable needs to be set up for the “Earned” Revenue. When the money is received, a Payment needs to be applied to the Receivable.

Output of Process

The Receivable and Payment will be ready to go through the receivable update and budget checking process in the nightly batch cycle.

Service Level Agreement Required? (if yes, provide a brief description)

N/A

PeopleSoft Panel Groups being Used

Function	Panel Group
Enter Receivable/Use	Online Pending Item Entry
Apply Payment/Use	Regular Deposit Entry Worksheet Selection Worksheet Application Worksheet Action

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Business Process Description

Process Description	Responsibility (Agency/Centralized)
<p><u>Step 1: Set up a Receivable for the Earned Revenue: Online Item Dialog Box.</u></p> <p>On the Online Item Dialog Box, enter the business unit. The system will generate the Group ID (if NEXT is left in the field) or a user can assign the group id.</p>	Agency
<p><u>Step 2: Set up a Receivable for the Earned Revenue: Group Control Panel.</u></p> <p>The Accounting Date will default to the current date, but can be modified as needed (This date must be in the current period). Group Type, Origin ID, Control Currency, and Control Totals are required fields. In the Control Totals fields, enter the amount of the “earned” revenue and “1” for the number of receivables entered in this group id (batch).</p>	Agency
<p><u>Step 3: Set up a Receivable for the Earned Revenue: Pending Item 1 Panel.</u></p> <p>The Accounting Date will default from the Group Control Panel. Item ID, Customer ID, Amount, Entry Type, Reason Code, and Distribution Code are required fields. The Item ID needs to be a description of the Grant Encumbrance. Put a “1” in the line field next to item id. A customer id must be established before entering the receivable. The Amount field is the amount of the Grant. Entry Type will be “IN” for Invoice. A reason code is the credit side of the accounting entry (click on the down arrow to see a list of the reason codes in the system). Select a distribution code (debit side of the accounting entry and all other chartfields).</p>	Agency
<p><u>Step 4: Set up a Receivable for the Earned Revenue: Group Action.</u></p> <p>Click on Balance and Post Later. The user will receive a Group ID if “NEXT” was used. If the control amount does not match the entered amount, the system will not assign a group id and an error message will occur. At this point in time, the user needs to navigate back to Pending Item 1 panel to review why the Group is not balanced.</p> <p>If the user is not complete with the Group, the user needs to click “Do Not Post”. This allows the user to retrieve the Group.</p>	Agency
<p><u>Step 1: Applying a Payment to the Receivable: Online Deposit Dialog Box (Regular Deposit Entry).</u></p> <p>On the dialog box, enter the business unit. The user can either let the system automatically generate a Deposit id (“NEXT”) or assign a Deposit ID.</p>	Agency

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<p><u>Step 2: Applying a Payment to the Receivable: Deposit Control Panel.</u></p> <p>The accounting date will default to the current date, but can be modified as needed (must be in the current period). Bank Code, Bank Account Number, Deposit Type, Control Currency and Control Totals are required fields. The Control Total will be the amount the user wants to reduce the Grant Encumbrance by and the total will be “1”.</p>	Agency
<p><u>Step 3: Applying a Payment to the Receivable: Payment Panel.</u></p> <p>The accounting date will default from the Deposit Control panel. The Payment Id can be a check number or any description for the payment. The Amount will equal the amount the user is reducing the Grant Encumbrance by. In the ID/Unit fields, enter the customer id and the business unit should default (if the business unit does not default, enter the business unit in the field). Click the “Disk” icon.</p>	Agency
<p><u>Step 4: Applying a Payment to the Receivable: Worksheet Selection Panel.</u></p> <p>On the dialog box, the deposit unit and id should default. Select the Payment Id and click “OK”. When the user retrieves the Worksheet, click “Build”.</p>	Agency
<p><u>Step 5: Applying a Payment to the Receivable: Worksheet Application Panel.</u></p> <p>Select the Grant Encumbrance Receivable by clicking in the box next to the Item Id. Highlight the amount of the Receivable and override it by entering the amount the user is paying. Click the “Disk” icon to save.</p>	Agency
<p><u>Step 6: Applying a Payment to the Receivable: Worksheet Action Panel.</u></p> <p>Click “Post Later” to send the Payment through Batch. If “Post Later” is not available, the Payment id does not match the amount entered being applied to the Receivable. Navigate back to Worksheet Application to correct the error.</p>	Agency
<p><u>Step 1: Increase a Receivable: Online Group Dialog Box.</u></p> <p>On the Online Item Dialog Box, enter the business unit. The system will generate the Group ID (if “NEXT” is left in the field) or a user can assign the group id.</p>	Agency
<p><u>Step 2: Increase a Receivable: Group Control Panel.</u></p> <p>The Accounting Date will default to the current date, but can be modified as needed (This date must be in the current period). Group Type, Origin ID, Control Currency, and Control Totals are required fields. In the Control Totals fields, the amount equals the amount the user wants to increase the receivable and “1” for the number of receivables entered in this Group Id (batch).</p>	Agency

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<p><u>Step 3: Increase a Receivable: Pending Item 1 Panel.</u></p> <p>The Accounting Date will default from the Group Control Panel. Item ID, Customer ID, Amount, Entry Type, Reason Code, and Distribution Code are required fields. The Item ID, Customer ID, Reason Code and Distribution Code will be the same as the original "IN" Grant Encumbrance. Put a "1" in the line field next to item id. The Amount field is the amount the user wants to increase the Grant. The Entry Type will be "DR" for Debit Memo.</p>	Agency
<p><u>Step 4: Increase a Receivable: Group Action.</u></p> <p>Click on Balance and Post Later. The user will receive a Group ID if "NEXT" was used. If the control amount does not match the entered amount, the system will not assign a group id and an error message will occur. At this point in time, the user needs to navigate back to Pending Item 1 panel to review why the Group is not balanced.</p> <p>If the user is not complete with the Group, the user needs to click "Do Not Post". This allows the user to retrieve the Group.</p>	Agency

Forms Used with Process (#)

None

Process Flow Diagram (if appropriate):

Process Signoff

Tested By
Date Tested